



PUBLIC NOTICE

Federal Communications Commission
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January 15, 2002

COMMON CARRIER BUREAU SEEKS COMMENT ON NUMBERING AUDIT PROGRAM

IN CC DOCKET NO. 96-98
CC DOCKET NO. 99-200

Comments Due: February 15, 2002
Reply Comments Due: March 1, 2002

In the *Numbering Resource Optimization (NRO) Second Report and Order*, the Commission established an audit requirement to monitor compliance with its numbering rules.¹ The audit requirement provides for random and “for cause” audits to be performed on telecommunications carriers that use numbering resources. The purpose of these audits is to monitor compliance with the Commission’s numbering rules and applicable industry guidelines, and to verify the accuracy and validity of the numbering data submitted to the Commission.² The Commission tasked the Common Carrier Bureau (Bureau) with the responsibility of developing an audit program (Numbering Audit Program) to conduct these audits.

paper copies.⁵ We strongly encourage parties to submit electronic copies of their comments and reply comments.

Comments filed through the ECFS can be sent as an electronic file via the Internet to <<http://www.fcc.gov/e-file/ecfs.html>>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to ecfs@fcc.gov, and include in the body of the message, "get form <your e-mail address>." A sample form and directions will be sent in reply.

Parties who choose to file by paper must file an original and four copies of each filing, and are hereby notified that effective December 18, 2001, the Commission's contractor, Vistrionix, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at a new location in downtown Washington, DC. The address is 236 Massachusetts Avenue, NE, Suite 110, Washington, DC 20002. The filing hours at this location will be 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building.

This facility is the only location where hand-delivered or messenger-delivered paper filings for the Commission's Secretary will be accepted. Accordingly, the Commission will no longer accept these filings at 9300 East Hampton Drive, Capitol Heights, MD 20743. In addition, this is a reminder that, effective October 18, 2001, the Commission discontinued receiving hand-delivered or messenger-delivered filings for the Secretary at its headquarters location at 445 12th Street, SW, Washington, DC 20554.

Other messenger-delivered documents, including documents sent by overnight mail (other than United States Postal Service (USPS) Express Mail and Priority Mail), must be addressed to 9300 East Hampton Drive, Capitol Heights, MD 20743.

Because more than one docket or rulemaking number appears in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. All filings must be sent to the Commission's Secretary: Magalie Roman Salas, Office of the Secretary, Federal Communications Commission, 445 12th Street, S.W., Suite TW-A325, Washington, D.C. 20554. In addition, commenters must submit: (1) one copy of each filing to Peter Young, Common Carrier Bureau, Federal Communications Commission, 445 12th Street, S.W., Room 6C-320, Washington, D.C. 20554; (2) one copy of each filing to Diana Lee, Common Carrier Bureau, Federal Communications Commission, Room 6-C326, 445 12th Street, S.W., Washington, D.C., 20554; and (3) one copy of each filing to the Commission's copy contractor, Qualex International, Portals II, 445 12th Street, S.W., Room CY-B402, Washington, DC 20554.

The audit program and filed comments and reply comments may be obtained (for a fee) from Qualex International, telephone (202) 863-2893, facsimile (202) 863-2898, or via email at qualexint@aol.com. Electronic versions of the audit program are also available on the Commission's Internet Home Page (<http://www.fcc.gov>) and through the Commission's Electronic Comment Filing System. To the extent that parties file electronic versions of comments, such filings also will be available on the Commission's Internet Home Page and through the Commission's Electronic Comment Filing System. Copies of the audit program, comments, and reply comments are also available for public inspection and copying during normal reference room hours at the Commission's Reference Center, 445 12th Street, S.W., CY-A257, Washington, D.C. 20554.

For further information, contact Diana Lee at (202) 418-0843 or Anthony Dale at (202) 418-2260, email address adale@fcc.gov.

Action by the Chief, Common Carrier Bureau.

Appendix A: Numbering Audit Program

Line No.	NRO AUDIT PROGRAM WORK STEPS
1	GENERAL
2	The terms “document” and “note” indicate that the information shall be made part of the work papers. These terms also indicate that the findings shall be noted in the report except for internal control procedures.
3	The practitioner (i.e., the independent auditor) will coordinate with the user of the audit report (i.e., the FCC) to schedule a date, time and location for reviewing the work papers.
4	The practitioner will obtain a representation letter from the company that complies with AICPA standards.
5	Send “Data Request” to the audited telecommunications carrier to obtain information before performing the audit procedures. <i>See Attachment 1.</i>
6	INTERNAL CONTROLS TESTING
7	Identify and document the significant manual and/or system applications that the company uses to comply with the Commission’s rules, state commission’s rules and industry guidelines regarding numbering.
8	Document the flow of transactions and the controls involved in handling numbering resources. This would include, but not be limited to, reserved, administrative, aging, intermediate and assigned numbers, filling out and filing the Form 502, as well as requests to NANPA for initial and growth numbering resources.
9	Document the policies, practices and procedures in place to ensure that new rules enacted by the FCC, state commissions or new industry guidelines regarding numbering resource optimization are implemented in a timely manner.
10	Complete the “Internal Control Questionnaire” and place it in the work papers. <i>See Attachment 2.</i>
11	COMPLIANCE TESTING
12	Assigned Numbers
13	Numbers working in the Public Switched Telephone Network (PSTN) under an agreement such as a contract or tariff. Numbers that are not yet working and have a customer service order pending for more than five days shall not be classified as assigned.
14	The FCC will provide a

22	Obtain a sample of aging numbers and note if numbers have been held for more than 90 days for residential numbers and more than 360 days for business numbers. Note exceptions and the company's response to the exceptions.
23	Determine and document the company's processes and procedures for handling numbers suspended for non-payment.
24	Obtain a sample of suspended numbers and document if numbers have been handled according to the company's processes and procedures. Note exceptions and the company's response to the exceptions.
25	Determine and document the company's processes and procedures for handling "permanently disconnected" numbers.
26	Obtain a sample of "permanently disconnected" numbers and document if numbers have been handled according to the company's processes and procedures. Note exceptions and the company's response to the exceptions.
27	Intermediate Numbers
28	Numbers that are made available for use by another telecommunications carrier or non-carrier for the purpose of providing telecommunications service to an end user customer.
29	Determine and document the company's processes and procedures for handling and inventorying intermediate numbers. Also determine and document the company's processes and procedures for changing numbers from intermediate to assigned numbers.
30	Obtain a sample of intermediate numbers. Trace the sample to billing records /inventory to determine if the numbers are still intermediate, i.e. not assigned to an end-user. Note any exceptions and the company's response to the exceptions.
31	Reserved Numbers
32	Numbers that are held by service providers at the request of specific end users or customers for their future use. Numbers held for specific end users or customers for more than 180 days shall not be classified as reserved numbers.

47	Determine and document that the applicant is or will be capable of providing service within 60 days of the numbering resource activation date. This pertains to applicants requesting an initial NXX code as well as those requesting an initial thousands-block. Examples of evidence that the facilities are in place or will be in place to provide service within 60 days are contracts for unbundled network elements, network information indicating equipment has been purchased and is operational or will be operational, business plans or interconnection agreements.
48	Obtain the last two initial numbering applications from the company and document that the applicant has met the requirements outlined in Section 4.1.1 through 4.1.4 in the Central Office Code Assignment guidelines.
49	Check the above documentation against the information received from NANPA. Note any discrepancies and inquire of the company for explanation(s). Note the exception(s) and the company's response(s).
50	Application for Numbering Resources (Growth)
51	Obtain from NANPA the last two growth numbering applications that the company has filed with NANPA.
52	Determine and document the utilization rate for the rate center(s) in which growth-numbering resources were requested. The rate must be at least 60% calculated by dividing all assigned numbers by the total resources in the applicant's inventory multiplied by 100 for that rate center. Check the calculation and note any exceptions. Numbering resources activated in the Local Exchange Routing Guide (LERG) within the preceding 90 days of reporting utilization rates may be excluded from the calculation.
53	Determine and document from the above applications that the company completed a Month-to-Exhaust (MTE)

66	NRUF Database (Form 502)
67	Determine and document the company's processes and procedures for filling out, completing and filing the Form 502.
68	Determine and document where the information for the Form 502 is derived from and how it is input into the system. Also document the processes used for pulling the information from the system(s).
69	Determine and document the controls that ensure the accuracy of the information and the Form 502.
70	Report Structure
71	The practitioner's report shall present all procedures and shall disclose all results encountered for each procedure performed, regardless of materiality. The user's expectation is that the practitioner will include in its report all results of those procedural steps unless an exception is noted in the audit program.
72	The practitioner shall prepare a draft report that will be available for review by the user and the company, no later than 30 days after the completion of fieldwork.
73	The user will provide written comments to the practitioner no later than 10 business days after receiving the draft report.
74	The company may submit comments to the practitioner within 10 business days after receiving the draft report. Any comments received will be attached to the report
75	The practitioner will submit an updated draft report with any changes required by the user to the user 5 business days after receiving the user's and the company's comments. A final report will be provided 5 business days after that report.

Attachment 1: Standard Data Request⁶

[Addressed to audited carrier]

Please provide the following information by (date):

- a. What individual or group has responsibility for requesting numbers? Where is the individual or group located?
- b. Who is responsible for keeping company personnel updated on changes to the FCC's or state commissions' numbering rules?
- c. What individual or group has responsibility for filling out and filing Form 502 with the FCC? Where is the individual or group located?
- d. Does the company have written procedures for maintaining number inventories in accordance with FCC requirements? If so, please provide a copy of these procedures.
- e. Where are the pertinent number related documents and records maintained?
- f. Where are the billing records maintained?
- g. Provide a representation letter prepared in accordance with the standards promulgated by the American Institute for Certified Public Accountants (AICPA) for "agreed-upon procedures" compliance attestation engagements.
- h. Describe the company's processes and procedures for *aging numbers*. What individual or group has responsibility for *aging numbers* and where is the individual or group located?
- i. Describe how aging numbers are returned to service. What individual or group has responsibility for returning these numbers to service, and where is the individual or group located?
- j. Describe the company's processes and procedures for handling numbers suspended for non-payment. What individual or group has responsibility for handling this process, and where is the individual or group located?
- k. Describe the company's processes and procedures for handling "permanently disconnected" numbers. What

- q. Describe the company's processes and procedures for assigning all numbers in an opened thousands-block. What individual or group has responsibility for handling this process, and where is the individual or group located?
- r. Describe the company's processes and procedures for donating thousands-blocks with ten percent or less contamination. What individual or group has responsibility for handling this process, and where is the individual or group located?
- s. Has the company been involved in thousands-block number pooling in the last six months? If so what NPA(s) is/are involved in the pooling?

Attachment 2: Internal Control Questionnaire⁷

INTERNAL CONTROL QUESTIONNAIRE				
Objective and Questions	Yes	No	N/A	Remarks
A. GENERAL				
1. Does the company have a formal plan for ensuring compliance with the FCC's rules and industry guidelines regarding numbering?				
2. Does the company have procedures for disseminating information to the appropriate employees regarding changes to the FCC's numbering rules and industry guidelines within 30 days of the release?				
3. Does the company have security measures for accessing its numbering records?				
4. Is management briefed at least annually on compliance with numbering requirements?				
5. Does the company have dedicated employees responsible for monitoring compliance with and implementation of numbering rules?				
6. Does the company have back-up personnel capable of taking over its numbering compliance if primary employees are on leave or unavailable?				
B. TRAINING				
1. Do employees receive training when rule changes are made regarding numbering rules?				
2. Are the employees aware of the processes and procedures for numbering?				
3. Is formal training provided to new personnel assigned to numbering operations?				
4. Are employees provided refresher training during the year?				
C. ASSIGNED NUMBERS				
1. Are customer service orders pending more than five days kept from being placed in the "assigned" category?				
2. Are "ported-out" numbers inventoried separately?				
3. Is the inventory for "ported-out" numbers checked and updated on a regular basis?				

⁷ See Numbering Audit Program at Line No. 10.

D. AGING NUMBERS				
1. Are “aging” numbers separated into residential and business?				
2. Are numbers suspended for non-payment kept separate from numbers disconnected for other reasons?				
3. Are aged residential numbers returned to service within 90 days?				
4. Are aged business numbers returned to service within 360 days?				
E. INTERMEDIATE NUMBERS				
1. Are “intermediate” numbers inventoried separately?				
2. Does the company have a process for contacting the parties who have received numbers to determine when numbers have been assigned to end-users?				
F. RESERVED NUMBERS				
1. Are “reserved” numbers inventoried separately?				
2. Can numbers be reserved without a request by a specific end user?				
3. Does the company have a process for checking “reserved” numbers to determine if the 180 days has passed?				
G. ADMINISTRATIVE NUMBERS				
1. Does the company have a process for assigning “administrative” numbers?				
2. Are “administrative” numbers inventoried separately?				
H. THOUSANDS-BLOCK NUMBER POOLING				
1. Does the company have a process for assigning numbers sequentially?				
2. Does the company have a process for determining what thousands-blocks can be donated?				